

**STATE OF SOUTH CAROLINA
BEFORE THE PUBLIC SERVICE COMMISSION
DOCKET NO. 2021-324-WS**

IN RE:)
)
Application of Kiawah Island Utility, Inc)
for Adjustment of Rates and Charges)
(Increase) and Modifications to Certain)
Terms and Conditions for the Provision of)
Water and Sewer Service)
_____)

**SOUTH CAROLINA DEPARTMENT
OF CONSUMER AFFAIRS SECOND
SET OF INTERROGATORIES AND
REQUESTS FOR PRODUCTION TO
KIAWAH ISLAND UTILITY, INC.**

Pursuant to S.C. Code Ann. Regs. 103-833, the South Carolina Department of Consumer Affairs (the “Department”), by and through its undersigned counsel, hereby submits this Second Set of Interrogatories and Requests for Production to Kiawah Island Utility, Inc. (“KIU” or “Company”). Pursuant to South Carolina Rule of Civil Procedure 26(e), and Commission regulations, each request is continuing until the time of the hearing such that the Company must promptly transmit to the Department the requested information as it becomes available.

INSTRUCTIONS

1. Responses to these requests should be provided to the undersigned, via email, within twenty (20) days of the date of service.
2. All information should be provided to the undersigned in the format requested and under oath.
3. All responses to the below requests should be labeled using the same numbers as used herein.
4. If the requested information is found in other places or in other exhibits, reference shall not be made to those, but instead, the information should be reproduced and placed in the responses to this request in the appropriate sequence.
5. All documents shall be provided in their native format, e.g., in Word, Excel, or PowerPoint format with all functions, data, and formulas intact.
6. Each request should be reproduced at the beginning of the response thereto.
7. If the response to any Request for Production of Documents is that the information requested is not currently available, please state when the information requested will become available.
8. This request shall be deemed continuing so as to require KIU to supplement or amend its responses as any additional information becomes available up to and through the date of hearing.
9. For any document withheld under a claim of privilege, submit a sworn or certified statement from your counsel or one of your employees in which you identify the document by

author, addressee, date, number of pages, and subject matter; specify the nature and basis of the claimed privilege and the paragraph of this demand for documents to which the document is responsive; and identify each person to whom the document or its contents, or any part thereof, has been disclosed.

10. If a refusal to respond to a Request for Production of Documents is based on the grounds that same would be unduly burdensome, identify the number and nature of documents needed to be searched, the location of the documents, and the number of hours and costs required to conduct the search.

11. Answer each request on the basis of the entire knowledge of KIU, including information in the possession of KIU or its consultants, representatives, agents, experts, operating divisions, business divisions, assigns, partners, and attorneys, if any.

12. If any request cannot be answered in full, respond to the extent possible and specify the reasons for KIU's inability to respond.

DEFINITIONS

As used herein, the following terms shall have the meaning and be interpreted as set forth below:

1. "You," "your," and "Company" mean KIU or any of its affiliates, officers, directors, employees, attorneys, or agents.

2. "Application" is defined as the application filed by Kiawah Island Utility, Inc. on November 30, 2021 or as otherwise revised.

3. "Company" and "KIU" are defined as Kiawah Island Utility, Inc., its parent(s), subsidiaries, affiliates, predecessors, successors, officers, directors, agents, employees, and other persons acting in its behalf.

4. "Workpapers" and "documents" are defined in the broadest terms and should not be construed as limited to the listed examples, or limited only to items that are currently within your control or custody; include each and every original or copy of words or information generated by printing, typing, longhand, electronic recording, or other process, regardless of the form thereof, and include any kind of writing. Such documents include, but are not limited to, published materials, reports, correspondence, emails, records, memoranda, notices, notes, marginal notations, messages, teletype printouts, statements, books, studies, minutes, diagrams, drawings, maps, surveys, plans, charts, graphs, data, computer files, billings, evaluations, photographs, audio tapes, and videotapes. The terms include drafts, revisions or amendments of any of the above, and generally, any kind of tangible, permanent records that are now, or formerly were, in your possession, custody or control, or that were known by you to exist, and that can be located or discovered by reasonably diligent efforts.

5. "Communication(s)" when used in these Requests shall include the transmittal of information by any means, written, oral, electronic or otherwise.

6. When used in referenced to a document, "identify," identity," and "identification" mean to state the type of document (e.g., computer-stored information, microfilm, letter, memorandum, policy circular, minute book, telegram, chart, etc.), or some other means of

identifying it, and its present location and custodian. If any such document was, but no longer is, in your possession or subject to your control, state what disposition was made of the document, and if the document was destroyed or disposed of pursuant to a retention policy, please state the retention policy.

DOCUMENT AND INFORMATION REQUESTS

- 2-1** Regarding ORS AIR 4-13, which among other items, requested a “final order...as well as any orders issued on any motions to dismiss, motions for summary judgment, judgement notwithstanding the verdict, res judicata, collateral estoppel, or motions to compel” and KIU’s responses thereto-
- Please provide any other orders, including, but not limited to, orders on motions in limine, issued in any of the Mears litigation or related insurance cases.
- 2-2** Has KIU ever obtained builder’s risk insurance? If so, identify the projects and insurer, and provide copies of the policies.
- 2-3** Regarding the approximately \$19.7M intercompany loan agreement between KIU and SWWC-
- a. Was the loan obtained for any specific purposes or projects?
 - b. How much money has been advanced to KIU under the agreement?
 - c. Please identify the purposes or projects for which any advances have been used.
 - d. How much interest has KIU paid under the terms of the agreement?
- 2-4** Has KIU’s rate base rate been substantially reduced by customer donations, tap fees, contributions in aid of construction, or book value in excess of investment? Please explain.
- 2-5** Provide a list of cases during the past 10 years in which KIU’s witnesses have testified regarding a utility’s operating margin. For each case, identify the witness and provide their recommended operating margin or range of operating margins.

S.C. DEPARTMENT OF CONSUMER AFFAIRS



Roger Hall, Esq. (Deputy Consumer Advocate)
 Carri Grube Lybarker, Esq. (Consumer Advocate)
 Connor J. Parker, Esq. (Assistant Consumer Advocate)
 P.O. Box 5757
 Columbia, South Carolina 29250-5757
 (803) 734-4200

January 31, 2022
 Columbia, South Carolina

CERTIFICATE OF SERVICE

I, Roger Hall, hereby certify that the foregoing document was served by electronic mail on all parties at the addresses listed in the Commission's official service list for Docket 2021-324-WS on January 31, 2022.

A handwritten signature in blue ink, appearing to read "Roger Hall", is positioned above a horizontal line.

Roger Hall, Esq.